

BILL # HB 2404

TITLE: capitol police; transfer

SPONSOR: Pearce

STATUS: As Amended by Senate Approp

REQUESTED BY: Senate

PREPARED BY: Martin Lorenzo III

FISCAL ANALYSIS

Description

HB 2404 transfers responsibility for the protection and security of the Governmental Mall and state office buildings in Tucson from the Department of Administration (DOA) to the Department of Public Safety (DPS). In addition, the bill transfers the records, equipment, Public Safety Personnel Retirement System (PSPRS) assets and all DOA Capitol Police Officers under the state personnel system from DOA to DPS.

Estimated Impact

The JLBC Staff estimates HB 2404 would result in a General Fund impact ranging from \$150,900 to \$519,400 in FY 2006 depending on how the transfer is implemented. These costs could potentially be offset by administrative savings associated with the consolidation. The low-end estimate assumes transferring oversight of the Capitol Police to DPS while continuing the operation of the Capitol Police as a self-contained entity. The high-end estimate would integrate Capitol Police officers, necessary personnel and equipment with DPS. In addition, the bill is estimated to have a fiscal impact to non-appropriated funding sources ranging from \$24,700 to \$45,700.

The following chart depicts the JLBC Staff estimated fiscal impact for HB 2404.

	<u>GF Low-End Cost</u>	<u>GF High-End Cost</u>
PSPRS Contribution	\$150,900	\$150,900
Reclassification	-	87,600
Uniform Allowance	-	2,500
Communications	-	150,900
Vehicles	-	88,600
Weapons	-	38,900
Administrative Savings	?	?
Total	\$150,900	\$519,400

DPS estimates HB 2404 could have a potential fiscal impact ranging from \$248,600 to \$940,200, of which, other state agencies, through intergovernmental agreements, realize an increase of \$47,500 to \$270,800. The low-end of the estimates assumes no change in current Capitol Police officers' salaries while the higher estimate provides all transferred officers a comparable salary to current DPS officers. DOA did not provide a cost estimate for this bill.

Analysis

Currently, the DOA Capitol Police maintain security of the Governmental Mall and state office buildings in Tucson. The Capitol Police FY 2005 appropriation provides \$2,045,400 from the General Fund and authorizes 49 Full-Time Equivalent (FTE) Positions. DOA also utilizes non-appropriated monies received through Intergovernmental Agreements (IGA) totaling \$1,130,500 and 16 FTE Positions for Capitol Police. IGA agreements are considered non-appropriated by the DOA, however, the contracting agencies may fund these agreements with monies from appropriated funding sources.

There are at least two methods of implementing the consolidation of Capitol Police with DPS. The low estimate includes transferring oversight of the Capitol Police to DPS while continuing the operation of the Capitol Police as a self-contained entity. In addition, the low estimate assumes all employee classifications, salaries, and equipment would remain the same.

Analysis (Cont'd)

The high estimate integrates Capitol Police officers, necessary personnel and equipment with DPS. This method requires additional compensation for the reclassification of all non-officers, as well as the standardization of all related equipment. While the total costs associated with the standardization of Capitol Police equipment is included in this estimate, some of these costs could be incurred over several years should DPS phase in the new equipment.

The JLBC Staff estimates ongoing costs associated with HB 2404 of approximately \$150,900 for increases in Public Safety Personnel Retirement System (PSPRS) costs. Currently, both Capitol Police and DPS officers are included in PSPRS, however, the rates that are applied to each entity are different. As written, the bill terminates the PSPRS local board and transfers all Capitol Police officers PSPRS assets to DPS, requiring the Capitol Police to pay the DPS PSPRS rate. The additional monies included in the low-end and high-end estimates are attributed to a 10.9% higher PSPRS rate for DPS. The increased retirement rate results in ongoing costs of \$150,900 to the General Fund and \$24,700 for non-appropriated funds

In addition, HB 2404 transfers all Capitol Police officers who are a part of the state personnel system to DPS. The officers included in the transfer will continue to be compensated at their current levels pending the completion of a six month study done by DPS to determine the appropriate position and pay classification for each employee. Due to the unknown results of this study, the JLBC Staff have not included these costs, if any, in either estimate. The low estimate assumes that all security guards, dispatchers and administrative personnel would continue to be compensated at their current levels creating no additional cost. However, the high estimate assumes all non-officer personnel would need to be reclassified and compensated according to the DPS pay schedule. This assumption results in ongoing costs to the General Fund and non-appropriated funding sources in the amounts of \$87,600 and \$19,800 respectively.

With regard to uniform allowance, the Capitol Police officers and police assistance (security guards) currently receive \$720 annually for uniforms while DPS officers and security guards receive \$792 annually. The low-end estimate assumes no additional monies will be given to qualifying personnel. However, the high-end estimate includes an additional uniform allowance of \$72 given to Capitol Police officers and security guards. These additional monies equate to an ongoing General Fund costs of \$2,500 and non-appropriated costs of \$1,200.

Currently, the Capitol Police communication system operates on a VHF frequency while DPS uses a UHF frequency. The two frequencies and related equipment are not compatible, requiring the purchase of UHF radios and equipment for Capitol Police officers and guards, vehicles and their dispatch center. The low-end estimate assumes the two communication systems would continue to operate independently, resulting in no additional costs. The high-end estimate includes \$150,900 in General Fund monies for one-time costs associated to the standardization of the communications system and related equipment. A portable UHF radio has a cost of \$2,100 for each of the 51 officers and guards and a mobile UHF radio has a cost of \$2,000 for each of the 13 officer vehicles. In addition, the JLBC Staff estimates it would cost \$17,800 to replace the primary base radio and emergency backup center.

The Capitol Police operate 17 vehicles on lease agreements from the DOA motor pool. This bill, transfers the ownership of all vehicles to the DPS. The low-end estimate assumes all vehicles will continue to be operated as they currently do, creating no additional cost. The high-end estimate includes \$88,600 to replace two Capitol Police vehicles that exceed 100,000 miles. The DPS vehicle replacement schedule requires replacement of vehicles with an odometer reading more than 100,000 miles.

Should the Capitol Police integrate with DPS, the high-end estimate includes a one-time cost of \$38,900 from the General Fund to standardize the type of weapons that the Capitol Police and DPS officers' use. Currently, DPS security guards do not carry weapons, while the Capitol Police security guards do. The high-end estimate funds the purchase of 51 semi-automatic handguns for Capitol Police officers and guards and 13 shotguns for eligible Capitol Police vehicles at a cost of \$657 and \$415 respectively. The low-end estimate, which has no additional cost, assumes the Capitol Police will continue to use the same firearms they currently do and eliminates the assumption that would require Capitol Police assistants to carry firearms.

Consolidating Capitol Police within DPS may result in administrative savings. Administrative expenses may be reduced as a result of the merger should administrative, dispatch or security positions be eliminated within the Capitol Police. However, there is no current estimate of these possible savings.

Local Government Impact

None